



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

May 22, 1997

Gary Willman, Treasurer
Arizona Republican Party
3501 North 24th Street
Phoenix, AZ 85016

Identification Number: C00008227

Reference: 30 Day Post-General (10/17/96-11/25/96) Report

Dear Mr. Willman:

On April 30, 1997 you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your May 19, 1997 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-The Commission acknowledges your response concerning your disclosure of the RNC in-kind services to Targeted Creative Communications; however, your committee is not reporting these in-kind services properly. It appears that the RNC made several shared allocable disbursements as in-kind services on your committee's behalf using your allocation ratio. The receipt of in-kind services should be reported on Schedule A supporting Line 12 of the Detailed Summary Page to properly disclose the federal share of these RNC in-kind services. These receipts should not be aggregated together and should be marked "in-kind." Each entry should be itemized separately to disclose the provider of the in-kind services (RNC), date of the in-kind services, vendor and amount. The receipt of the non-federal share of the RNC in-kind services should be reported on Schedule H3 and marked as "in-kind services." Again, each entry should be disclosed separately to disclose the date and amount.

To offset the receipts for the RNC in-kind services, you must provide a Schedule H4 which discloses the following information for each disbursement:

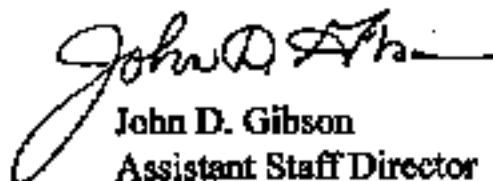
<u>Vendor</u>	<u>Date</u>	<u>Total Amount</u>	<u>Federal Share</u>	<u>Non-Federal</u>
Targeted Creative Communications	10/23	\$2,691.00	\$780.39	\$1,910.61
Targeted Creative Communications	10/23	\$7,300.35	\$2,117.10	\$5,183.25
Targeted Creative Communications	10/25	\$2,883.23	\$836.14	\$2,047.09

You should amend your Schedule H4 to include these separate entries disclosing the vendor, provider of the in-kind service (RNC), date, and amounts in the columns titled Total Amount, Federal Share, and Non-Federal Share. All of those totals must be identified as "in-kind." By properly disclosing these in-kind services by the RNC in the above-mentioned manner, your cash figures will not be inflated. Please make the necessary amendments to these reports.

If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact J.P. Andre' on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,



John D. Gibson
Assistant Staff Director
Reports Analysis Division

